

# Senate File 134 - Introduced

SENATE FILE \_\_\_\_\_  
BY HATCH

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

## A BILL FOR

1 An Act relating to county mental health, mental retardation, and  
2 developmental disabilities services funds and levies,  
3 authorizing a supplemental levy for such funds under certain  
4 circumstances, and providing an effective date.  
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
6 TLSB 2171XS 83  
7 jp/sc/14

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1 1 Section 1. NEW SECTION. 225C.6C ADULT MENTAL HEALTH AND  
1 2 DISABILITY SERVICES SYSTEM REFORM.  
1 3 1. It is the intent of the general assembly to reform the  
1 4 adult services system for mental health, mental retardation,  
1 5 and developmental disabilities services administered by  
1 6 counties in order to achieve all of the following goals:  
1 7 a. Improve the overall system.  
1 8 b. Increase equity.  
1 9 c. Reduce complexity.  
1 10 d. Eliminate the legal settlement system as a method of  
1 11 determining financial responsibility.  
1 12 e. Encourage efficiency.  
1 13 f. Establish a base level of services while encouraging  
1 14 local efforts to creatively meet consumer needs.  
1 15 g. Eliminate waiting lists.  
1 16 h. Improve capacity for meeting individual consumer needs.  
1 17 i. Enhance accountability.  
1 18 2. The commission shall do all of the following in  
1 19 implementing the services system reform:  
1 20 a. Identify a base level of adult mental health and  
1 21 disability services that shall be available in each county of  
1 22 the state on or before July 1, 2010. The initial list of base  
1 23 level services shall be developed by the commission and  
1 24 reported to the governor and general assembly on or before  
1 25 December 15, 2009.  
1 26 b. Implement a process for a county or a group of  
1 27 contiguous counties to form a regional service network. The  
1 28 minimum general population for a regional service network is  
1 29 one hundred thousand persons. The most recent population  
1 30 estimates issued by the United States bureau of the census  
1 31 shall be applied in determining population for the purposes of  
1 32 this paragraph. Notwithstanding chapter 426B or any other  
1 33 provision of law to the contrary, in order to receive state  
1 34 funding for disability services and property tax relief for  
1 35 the fiscal year beginning July 1, 2010, each county shall have  
2 1 entered into an agreement to be part of a regional service  
2 2 network on or before December 15, 2009.  
2 3 c. Adapt the concepts used in the school foundation aid  
2 4 formula to formulate proposals for a new system of shared  
2 5 state and county financing of the adult mental health, mental  
2 6 retardation, and developmental disabilities services system.  
2 7 d. Calculate a statewide cost for all counties to provide  
2 8 the base level of services identified in paragraph "a"  
2 9 beginning July 1, 2011. Utilize the calculated statewide cost  
2 10 and an analysis of the property tax rates for county services  
2 11 funds under section 331.424A, plus the state moneys  
2 12 distributed for property tax relief and allowed growth under  
2 13 chapter 426B, and any other provision to do the following:  
2 14 (1) Propose a base level services fund levy rate for all  
2 15 counties to replace the dollar limitation in effect under  
2 16 section 331.424A, Code 2009.

2 17 (2) Propose the percentage of statewide cost of base level  
2 18 services that will be funded by the state.

2 19 (3) Propose authorizing an additional levy for counties to  
2 20 cover the costs of base level services and other mental health  
2 21 and disabilities services beyond the amount generated under  
2 22 subparagraphs (1) and (2).

2 23 (4) In developing the proposals under this lettered  
2 24 paragraph, the commission may utilize formulas involving  
2 25 calculations of average and per capita general population  
2 26 expenditure rates.

2 27 Sec. 2. Section 331.424, Code 2009, is amended by adding  
2 28 the following new subsection:

2 29 NEW SUBSECTION. 3. For county mental health, mental  
2 30 retardation, and developmental disabilities services, an  
2 31 amount authorized in accordance with this subsection. The  
2 32 revenue from a supplemental levy authorized under this  
2 33 subsection shall be credited to the county's services fund  
2 34 under section 331.424A.

2 35 a. For the fiscal years beginning July 1, 2009, and July  
3 1 1, 2010, the maximum amount of a county's supplemental levy  
3 2 under this subsection shall be the sum of the following:

3 3 (1) The gross amount approved for the county as eligible  
3 4 for risk pool assistance for the previous fiscal year by the  
3 5 risk pool board under section 426B.5. This amount, as  
3 6 adjusted for inflation, may also be included in subsequent  
3 7 fiscal years.

3 8 (2) Any negative balance amount for the county's services  
3 9 fund under section 331.424A in the most recently completed  
3 10 fiscal year at the time the supplemental levy is certified.

3 11 (3) The amount needed to eliminate a waiting list for  
3 12 services in effect at the time the supplemental levy is  
3 13 certified.

3 14 (4) The amount needed to avoid implementation of a waiting  
3 15 list for services.

3 16 (5) The amount needed to implement a base level service  
3 17 identified by the mental health, mental retardation,  
3 18 developmental disabilities, and brain injury commission under  
3 19 section 225C.6C.

3 20 b. For the fiscal year beginning July 1, 2011, and  
3 21 succeeding fiscal years, the amount needed to cover all base  
3 22 level services and other services approved for the service  
3 23 population that are not covered by state, federal, and private  
3 24 funding or by the services fund levy authorized under section  
3 25 331.424A.

3 26 c. For the fiscal years beginning July 1, 2009, and July  
3 27 1, 2010, the levy rate resulting from the combination of the  
3 28 county's supplemental levy under paragraph "a" and the  
3 29 county's services fund levy authorized under section 331.424A  
3 30 shall not exceed the actual levy rate of the county's services  
3 31 fund for the fiscal year beginning July 1, 1997.

3 32 d. The amounts proposed by a county to be used as the  
3 33 basis for a levy certification under this section are subject  
3 34 to review and approval by the risk pool board. The risk pool  
3 35 board's decision is final.

4 1 Sec. 3. EFFECTIVE DATE == INITIAL SUPPLEMENTAL LEVY.

4 2 1. This Act, being deemed of immediate importance, takes  
4 3 effect upon enactment.

4 4 2. If the effective date of this Act is after March 15,  
4 5 2009, a county board of supervisors may amend the county's  
4 6 budget to incorporate a supplemental levy authorized under  
4 7 section 331.424, subsection 3, as enacted by this Act, by  
4 8 following all of the following procedures:

4 9 a. The amended budget shall be certified on or before May  
4 10 31, 2009.

4 11 b. Not less than twenty days before May 31, 2009, and not  
4 12 less than ten days before the date set for the hearing under  
4 13 paragraph "c", the board shall file the amended budget with  
4 14 the auditor. The auditor shall make available a sufficient  
4 15 number of copies of the amended budget to meet the requests of  
4 16 taxpayers and organizations and have them available for  
4 17 distribution at the courthouse or other places designated by  
4 18 the board.

4 19 c. The board shall set a time and place for a public  
4 20 hearing on the amended budget before the final certification  
4 21 date and shall publish notice of the hearing not less than ten  
4 22 nor more than twenty days prior to the hearing in the county  
4 23 newspapers selected under chapter 349. A summary of the  
4 24 proposed budget amendment, in the form prescribed by the  
4 25 director of the department of management, shall be included in  
4 26 the notice. Proof of publication shall be filed with and  
4 27 preserved by the auditor. A levy is not valid unless and

4 28 until the notice is published and filed.  
4 29 d. At the hearing, a resident or taxpayer of the county  
4 30 may present to the board objections to or arguments in favor  
4 31 of any part of the amendment to the budget.  
4 32 3. After the hearing, the board shall adopt by resolution  
4 33 the amended budget and certificate of taxes for the next  
4 34 fiscal year and shall direct the auditor to properly certify  
4 35 and file the budget and certificate of taxes as adopted. The  
5 1 board shall not adopt a tax in excess of the tax necessary to  
5 2 incorporate the supplemental levy amount into the budget, and  
5 3 a greater tax than that adopted shall not be levied or  
5 4 collected. An amended budget and certificate of taxes adopted  
5 5 for the following fiscal year in accordance with this section  
5 6 becomes effective on the first day of that year.  
5 7 Notwithstanding sections 331.435 and 331.436, a budget  
5 8 amendment adopted in accordance with this section is not  
5 9 subject to protest to the state appeal board.

5 10 EXPLANATION

5 11 This bill relates to county mental health, mental  
5 12 retardation, and developmental disabilities (MH/MR/DD)  
5 13 services funds and levies and authorizes a supplemental levy  
5 14 under certain circumstances.

5 15 New Code section 225C.6C directs the mental health, mental  
5 16 retardation, developmental disabilities, and brain injury  
5 17 commission to perform various tasks for reforming the system  
5 18 for providing these services to adults. The tasks include  
5 19 identifying and projecting the costs for each county to  
5 20 provide a base level of services and for requiring each county  
5 21 to enter into a service agreement for the county or a group of  
5 22 contiguous counties to form service areas comprising a minimum  
5 23 general population of 100,000. The tasks for the financing  
5 24 portion of the system reform involve adapting concepts  
5 25 utilized in the school foundation aid formula. Proposals are  
5 26 required to be completed for implementation by counties  
5 27 beginning July 1, 2011.

5 28 Code section 331.424, relating to the supplemental property  
5 29 tax levy for counties, is amended to authorize a county to  
5 30 implement a supplemental levy for the county's MH/MR/DD  
5 31 services fund. The levy authority is subject to various  
5 32 restrictions, and the combined levy rate for the new  
5 33 supplemental levy plus the services fund levy for FY 2009=2010  
5 34 or 2010=2011 cannot exceed the county's actual services fund  
5 35 levy rate for FY 1997=1998. The amounts proposed as a basis  
6 1 for the supplemental levy are subject to review and approval  
6 2 by the risk pool board.

6 3 The bill takes effect upon enactment and includes a  
6 4 procedure for a county to amend the budget for FY 2009=2010 to  
6 5 implement the new supplemental levy authority for FY 2009=2010  
6 6 in the event the bill is enacted after March 15, 2009.

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